



NEWS RELEASE

DEFENSE FINANCE AND ACCOUNTING SERVICE

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Press Release 01-09
January 10, 2001
For External Release

DFAS Partners with GSA to Resolve Pay Problems

The Defense Finance and Accounting Service (DFAS) and the General Services Administration (GSA) formed a joint working group to cooperatively address and resolve long standing problems between the GSA and DoD.

The problems being addressed came to light as GSA's Federal Technology Services (FTS), experienced trouble when their \$200 million-plus fund balance dipped to \$2 million. For the first time since 1949, FTS was unable to pay its bills.

A site visit by DFAS Director Thomas R. Bloom to GSA's FTS Finance Center last July revealed that GSA's cash flow had all but stopped – but the fund was owed almost \$300 million in outstanding and delinquent revenues – primarily from the Department of Defense.

Kevin Frisby, deputy director for accounting services at Columbus, was asked to assist FTS by forming a multi-agency task force. Frisby teamed up with Brad McCall, executive director of FTS' Finance Center in Ft. Worth, Texas, to begin a team approach to this issue.

The self-named "GSA/DFAS Solutions Group" is comprised of team members who are considered experts in their financial career fields. DFAS members include Kevin Frisby, Gander Mattox, Gary Schroeder, Tamara Theissen, Ken Chandler, Jim Habinak, Marsha Porter, Dennis Domres and Anita Clark are joined by GSA executive representatives from Fort Worth, Philadelphia and Atlanta Finance Centers and financial

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Management staff members from the Headquarters of the Army, Air Force and Navy. The group initially gathered at DFAS-Indianapolis in August. After monthly meetings at various DFAS locations and several short-term successes the group now finds its scope is expanding as it forges long-term solutions.

All participants are “change agents” whom actively identify and define problems and plan solutions. Problems generally involve internal business practices affecting DoD, DFAS and GSA. The October meeting completed final coordination on a memorandum of understanding (or trading partner agreement) that delineates general business practices, responsibilities and guidelines for both agencies.

The Solutions Group used the “action plan pyramid,” to identify seven specific processes that are linked to five targeted solutions. As the team works each action, it focuses on what processes, strategies and solutions are effective, and identifies which need to be implemented, improved or resolved, thereby addressing the original problem statement.

The group has netted small wins as it works on resolving 39 action items. To date, many of the metrics established by the team shows signs of improvement. GSA has begun posting records of delinquencies to its homepage to aid in research efforts. Additionally, GSA has brought its top ten unresolved bills to the table, where on-the-spot analysis was done and specific problems were assigned to the appropriate DFAS centralized sites for resolution. For those issues where incomplete, incorrect or missing lines of accounting, addresses or other missing or obsolete information complicate the process (such as base closures or military unit moves) the team is cross researching GSA and DoD identifiers.

The group is also changing the preferred payment method for GSA bills from Treasury checks and electronic fund transfers (EFT) to the Treasury’s On-line Payment and Collection (OPAC) system.

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The team just completed their GSA-hosted "peer review" to enable business practice demonstrations and peer discussions between the technicians from DFAS and GSA between the service's buyers and GSA. Change Agent Marsha Porter, DFAS Indianapolis, says meetings at DFAS sites in Kansas City, Indianapolis, Denver and Columbus yielded similar results -- results that were measurable, immediate, and long lasting.

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